



STATE OF NEVADA

BEFORE THE NEVADA COMMISSION ON ETHICS

In the Matter of the Request for Opinion
Concerning the Conduct of MARY ORR,
Chair, Humboldt General Hospital District,
Humboldt County,
State of Nevada,

Request for Opinion No.: 09-22C

Subject. /

INVESTIGATOR'S REPORT (Tab A):

Introduction:

On April 3, 2009, an Ethics Complaint was filed against Mary Orr (Orr), Chair of Humboldt General Hospital District Board of Trustees (Hospital Board), alleging that she voted to approve a payment to Humboldt Volunteer Hospice (Humboldt Hospice), her private employer.

Jurisdiction:

As an elected member of the Hospital Board, no dispute exists that Orr is a public officer as defined by NRS 281A.160. Therefore, the Nevada Commission on Ethics (Commission) has jurisdiction to investigate and take appropriate action in this matter, pursuant NRS 281A.280 and NRS 281A.440.

Issues:

The first issue is whether Orr violated NRS 281A.420(4) when she failed to disclose her

1 pecuniary interest before voting on the disbursement of a payment to the Humboldt Hospice, her
2 private employer. The second issue is whether Orr violated NRS 281A.420(2) when she failed to
3 abstain from voting on disbursement of a payment to Humboldt Hospice, her private employer.
4 The third issue is whether Orr violated NRS 281A.420(4) when she failed to disclose her
5 pecuniary interest before voting on a "check run" that included a payment to herself.
6 The fourth issue is whether Orr violated NRS 281A.420(2) when he failed to abstain from voting
7 on the alleged payment.

8
9 **Request for Opinion No. 09-22C (Ethics Complaint). (Tab B):**

10
11 On April 3, 2009 an Ethics Complaint was filed by Allen Violette (Violette). The following is
12 the summary of the allegations:

13
14 On March 31, 2009, Orr violated:

- 15
16 1.) NRS 281A.420(4) when she failed to disclose her pecuniary interest in the Humboldt
17 Hospice, her private employer.
18 2.) NRS 281A.420(2) when she failed to abstain from voting on a payment to the Humboldt
19 Hospice, her private employer.

20
21 On February 24, 2009, Orr violated:

- 22
23 1.) NRS 281A.420(4) when she failed to disclose her pecuniary interest in the Humboldt General
24 Hospital where she serves as the Chair of the Board.
25 2.) NRS 281A.420(2) when he failed to abstain from voting on a payment to herself from the
26 Humboldt General Hospital, where she serves as the Chair of the Board.

1 On January 27, 2009, Orr violated:

2
3 1.) NRS 281A.420(4) when she failed to disclose her pecuniary interest in the Humboldt
4 Hospice, her private employer.

5 2.) NRS 281A.420(2) when she failed to abstain from voting on a payment to the Humboldt
6 Hospice, her private employer.

7
8 **Response to Ethics Complaint. (Tab C):**

9
10 On May15, 2009, the Commission received a response to Ethics Complaint 09-22C from Orr's
11 legal counsel, Kent Maher, Esq. (Maher). Maher stated that Orr does have a commitment in a
12 private capacity to the Humboldt Hospice and added that her disclosure of such relationship
13 should be made by her when a matter involving Humboldt Hospice is considered by the Hospital
14 Board.

15
16 In Addition, Maher stated that Orr was not required to disclose her pecuniary interest in
17 Humboldt General Hospital, nor required to abstain from voting on a payment to herself. The
18 members of the Hospital Board are entitled to the compensation and they are the only individuals
19 who can approve their own monthly payments.

20
21 **Investigation Summary:**

22
23 I interviewed the following individuals and reviewed the following documents:

24
25 **Witnesses interviews and responses. (Tab D):**

- 26
27
 - Allen Violette, requestor of Ethics Complaint No. 09-22C, on May 22, 2009.
28 (Exhibit 1).

- Mary Orr, Subject of Ethics Complaint No. 09-22C. (Included in a Response to the Ethics Complaint, Tab C).

Documents. (Tab E):

I obtained and reviewed the following documents and materials relevant to the investigation:

- E-mail from Jessica Moyrong (Moyrong), Administrative Assistant and Medical Staff Coordinator, Humboldt General Hospital, dated May 21, 2009. (Exhibit 2).
- Agenda from the March 31, 2009, Hospital Board meeting. (Exhibit 3). (Minutes unavailable at the time of completion of this report).
- Disbursements and Transfers “check run” approved on March 31, 2009 Hospital Board meeting. (Exhibit 4).
- Minutes from the February 24, 2009, Hospital Board meeting. (Exhibit 5).
- Information packet provided to the Board members for the February 24, 2009, Hospital Board meeting. (Exhibit 6).
- Minutes from the January 27, 2009, Hospital Board meeting. (Exhibit 7).
- A copy of an e-mail from Moyrong to members of the Hospital Board, dated March 27, 2009. (Exhibit 8).
- Print out of the Humboldt Volunteer Hospice Website, staff directory. (Exhibit 9).
- Print out of the Humboldt General Hospital Website, Board of Directors. (Exhibit 10).

Relevant Statutes and Commission’s Opinions (Tab F).

- Nevada Commission on Ethics Opinions No. 90-2C (Abstract), and 93-19C, In re Guinchigliani.
- NRS 281A.420(2),(4).

- NRS 450.130.

Investigative findings:

The following are my investigative findings:

Orr is the chair of the Hospital Board. In her private capacity, Orr is the Executive Director of the Humboldt Hospice, a private non-profit organization.

Allegation one: "Orr received disbursement to Humboldt Hospice in the amount of \$3200."

Orr did not receive such a disbursement. The \$3,200 payment was made by the Humboldt General Hospital (HGH) to the Humboldt Hospice, not to Orr. In addition, Orr did not approve this payment; she was not present during the approval of this payment by the Hospital Board on January 27, 2009. (Exhibit 7).

Allegation two: Orr approved payment in the amount of \$200 to Humboldt Hospice.

On March 27, 2009, Moyrong e-mailed an information packet to each Hospital Board member. Evidence received from Moyrong shows that Orr received such packet, and had the opportunity to familiarize herself with its content. (Exhibit 8).

On March 31, 2009, the Hospital Board voted to approve a "check run" that included payments to numerous entities and individuals. The approval of a "check run" is a routine procedure made during monthly Hospital Board meetings. However, the "check run" included the \$200 payment made to Humboldt Hospice, a private entity that employs Orr. (Exhibit 4).

1 When Orr voted to approve the "check run," she did not disclose her private commitment to her
2 employer, Humboldt Hospice, nor did she abstain from voting.

3
4 **Allegation three: Orr approved \$340 payment to herself.**

5
6 At the February 24, 2009 Hospital Board meeting, Orr voted to approve her own \$340
7 compensation that was included in the "check run." (Exhibit 6, page 18). Orr did not disclose her
8 pecuniary interest in Humboldt General Hospital, nor did she abstain from voting. (Exhibit 5).
9 However, each Hospital Board member is entitled to the compensation. Orr did not receive any
10 greater benefit than any other member of the Hospital Board. Orr is entitled to the compensation
11 for performing her public service.

12
13 Dated this 21 day of May 2009.

14
15 NEVADA COMMISSION ON ETHICS
16 Patricia D. Cafferata, Esq.
17 Executive Director

18 
19 By: Mike Vavra, Investigator.